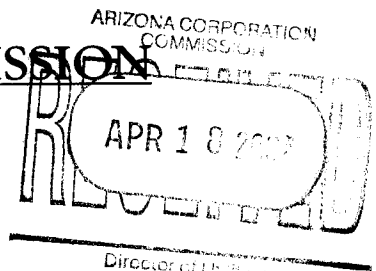


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

S

W-01967A
STONEMAN LAKE WATER COMPANY, INC.
7250 E. GARY STREET
MESA AZ 85207-

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

7-29-02 om

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>CLEARWATER GROUP DBA STONEHAM LAKE WATER</u> <u>Co.</u>			
Mailing Address <u>7250 EAST GARY STREET</u> (Street)			
<u>ME SA</u> (City)	<u>AZ</u> (State)	<u>85207</u> (Zip)	
<u>(480) 924-7141</u> Telephone No. (Include Area Code)	<u>(480) 325-0445</u> Fax No. (Include Area Code)	<u>(602) 202-2702</u> Pager/Cell No. (Include Area Code)	
Email Address <u>DICSHARP@aol.com</u>			
Local Office Mailing Address <u>7250 E. GARY STREET</u> (Street)			
<u>ME SA</u> (City)	<u>AZ</u> (State)	<u>85207</u> (Zip)	
<u>(480) 924-7141</u> Local Office Telephone No. (Include Area Code)	<u>(480) 325-0445</u> Fax No. (Include Area Code)	<u>(602) 202-2702</u> Pager/Cell No. (Include Area Code)	
Email Address <u>SAME</u>			

MANAGEMENT INFORMATION

Management Contact: <u>DANIEL SHARP</u> (Name)				<u>VICE-PRESIDENT</u> (Title)	
<u>7250 E GARY STREET</u> (Street)		<u>ME SA</u> (City)	<u>AZ</u> (State)	<u>85207</u> (Zip)	
<u>(480) 924-7141</u> Telephone No. (Include Area Code)		<u>(480) 325-0445</u> Fax No. (Include Area Code)		<u>(602) 202-2702</u> Pager/Cell No. (Include Area Code)	
Email Address <u>SAME</u>					
On Site Manager: <u>NA</u> (Name)					
<u></u> (Street)		<u></u> (City)	<u></u> (State)	<u></u> (Zip)	
<u></u> Telephone No. (Include Area Code)		<u></u> Fax No. (Include Area Code)		<u></u> Pager/Cell No. (Include Area Code)	
Email Address <u></u>					

Statutory Agent:

Victoria Sharp
(Name)

1250 E. Gary Street
(Street)

Mesa
(City)

AZ
(State)

85207
(Zip)

(480) 924-7141
Telephone No. (Include Area Code)

(480) 325-0445
Fax No. (Include Area Code)

(602) 202-2702
Pager/Cell No. (Include Area Code)

Attorney:

NA

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☒ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

STONEMAN LAKE WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation 5% (AD)	O.C.L.D. (OC less AD)
301	Organization - <i>Goodwill</i>	14250	712.50	13537.5
302	Franchises	Ø	Ø	Ø
303	Land and Land Rights	30,000	—	30,000
304	Structures and Improvements	Ø	Ø	Ø
307	Wells and Springs	19,000	950	18050
311	Pumping Equipment	419.00	20.95	398.05
320	Water Treatment Equipment	Ø	Ø	Ø
330	Distribution Reservoirs and Standpipes	4750	237.5	4512.5
331	Transmission and Distribution Mains	9500	475.0	9025
333	Services	4750	237.5	4512.5
334	Meters and Meter Installations	Ø	Ø	Ø
335	Hydrants	Ø	Ø	Ø
336	Backflow Prevention Devices	Ø	Ø	Ø
339	Other Plant and Misc. Equipment	Ø	Ø	Ø
340	Office Furniture and Equipment	Ø	Ø	Ø
341	Transportation Equipment	Ø	Ø	Ø
343	Tools, Shop and Garage Equipment	4750	237.5	4512.5
344	Laboratory Equipment	Ø	Ø	Ø
345	Power Operated Equipment	Ø	Ø	Ø
346	Communication Equipment	Ø	Ø	Ø
347	Miscellaneous Equipment	Ø	Ø	Ø
348	Other Tangible Plant	Ø	Ø	Ø
	TOTALS	87419.00	2871.00	84548.00

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

STONEMAN LAKE WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization - Goodwill	14250	5%	712.50
302	Franchises	0	0	0
303	Land and Land Rights	30.000	-	30.000 0
304	Structures and Improvements	0	0	0
307	Wells and Springs	19.000	5%	950
311	Pumping Equipment	419.00	5%	398.00 21.00
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	4750.00	5%	237.50
331	Transmission and Distribution Mains	9500.00	5%	950.00 475.00
333	Services	4750.00	5%	237.50
334	Meters and Meter Installations	0	0	0
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	4750.00	5%	237.50
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	87419.00		2871.00

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME STONEMAN LAKE WATER COMPANY

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 20.54	\$ 361.94
134	Working Funds	NA	NA
135	Temporary Cash Investments	NA	NA
141	Customer Accounts Receivable	0 7050.00	10289.24
146	Notes/Receivables from Associated Companies	NA	NA
151	Plant Material and Supplies	NA	NA
162	Prepayments	NA	NA
174	Miscellaneous Current and Accrued Assets	NA	NA
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 7070.54	\$ 10,651.18
	FIXED ASSETS		
101	Utility Plant in Service	\$ 79,464.57	\$ 78,613.23
103	Property Held for Future Use	NA	
105	Construction Work in Progress	NA	
108	Accumulated Depreciation – Utility Plant	3022.05	2871.00
121	Non-Utility Property	NA	NA
122	Accumulated Depreciation – Non Utility	3022.05 NA	2871.00 NA
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$ 89557.16	\$ 92,135.41

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME STONEMAN LAKE WATER Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 10,092.59	\$ 13,522.18
232	Notes Payable (Current Portion)	NA	NA
234	Notes/Accounts Payable to Associated Companies	NA	NA
235	Customer Deposits	NA	NA
236	Accrued Taxes	NA	NA
237	Accrued Interest	NA	NA
241	Miscellaneous Current and Accrued Liabilities	NA	NA
	TOTAL CURRENT LIABILITIES	\$ 10,092.59	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 79,464.57	\$ 78,613.23
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ NA	\$ NA
252	Advances in Aid of Construction	NA	NA
255	Accumulated Deferred Investment Tax Credits	NA	NA
271	Contributions in Aid of Construction	NA	NA
272	Less: Amortization of Contributions	NA	NA
281	Accumulated Deferred Income Tax	NA	NA
	TOTAL DEFERRED CREDITS	\$ 89,557.16 NA	\$ NA
	TOTAL LIABILITIES	\$ 89,557.16	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ NA	\$ NA
211	Paid in Capital in Excess of Par Value	NA	NA
215	Retained Earnings	NA	NA
218	Proprietary Capital (Sole Props and Partnerships)	NA	NA
	TOTAL CAPITAL	\$ NA	\$ NA
	TOTAL LIABILITIES AND CAPITAL	\$ 89,557.16	\$ 92,135.41

COMPANY NAME Stoutman Lake Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ NA	\$ 102,891.00 NA
460	Unmetered Water Revenue	7050.00	10289.00
474	Other Water Revenues	NA	NA
	TOTAL REVENUES	\$ 7050.00	\$ 10289.00
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water	NA	NA
615	Purchased Power	NA	NA
618	Chemicals	NA	NA
620	Repairs and Maintenance	NA	NA
621	Office Supplies and Expense	NA	NA
630	Outside Services	NA	NA
635	Water Testing	90.00	150.00
641	Rents	535.43	851.34
650	Transportation Expenses	NA	NA
657	Insurance – General Liability	NA	NA
659	Insurance - Health and Life	NA	NA
666	Regulatory Commission Expense – Rate Case	NA	NA
675	Miscellaneous Expense	NA	NA
403	Depreciation Expense	3022.00	2871.00
408	Taxes Other Than Income	NA	0
408.11	Property Taxes	649.00	0
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 4296.43	\$ 3872.34
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ NA	\$ NA
421	Non-Utility Income	NA	NA
426	Miscellaneous Non-Utility Expenses	NA	NA
427	Interest Expense	37.2249	5,535.54
	TOTAL OTHER INCOME/EXP	\$ 3722.49	\$ 5,535.54
	NET INCOME/(LOSS)	\$ - 968.92	\$ 2073.25

88112

COMPANY NAME

STONEMAN LAKE WATER COMPANY

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	4/5/00			
Source of Loan	MARTHA Bungee			
ACC Decision No.	NA			
Reason for Loan	Purchase Water Co.			
Dollar Amount Issued	\$ 80,000.00	\$	\$	\$
Amount Outstanding	\$ 78,613.23	\$	\$	\$
Date of Maturity	4/5/10			
Interest Rate	7.0%			
Current Year Interest	\$ 5,535.54	\$	\$	\$
Current Year Principle	\$ 851.34	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ NA

Meter Deposits Refunded During the Test Year

\$ NA

COMPANY NAME

Stoneman Lake Water Company

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-609467	5	30	8"	NA

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Tom Drum Spring	Unknown	Unknown
Durham Spring	Unknown	Unknown

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = Unknown

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2	0	0

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
30,000	1	NA	NA
4,000	1		
500	1		
15,000	1		

STATISTICAL INFORMATION

Total number of customers 74

Total number of gallons sold Unknown gallons

COMPANY NAME Stoneman Lake Water Company YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Victoria G. Sharp
SIGNATURE

4/14/02
DATE

VICTORIA SHARP
PRINTED NAME

PRESIDENT
TITLE

COMPANY NAME _____ YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

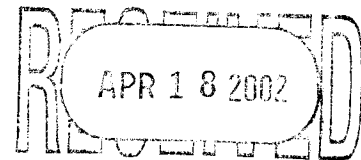
\$ Ø

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

We are past due on our 2001 property taxes to
Coconino County and will have them paid by July 2002.

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only



VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Victoria Sharp - President</u>
COMPANY NAME	<u>Stedman Lake Water Company</u>

Director of Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$10289.00

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 0

IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Victoria Sharp
SIGNATURE OF OWNER OR OFFICIAL
(480) 985-4569
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

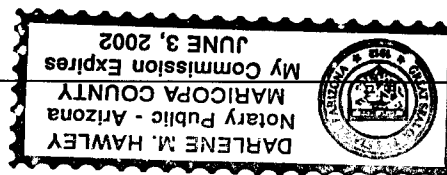
14th

DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u>
	<u>2002</u>

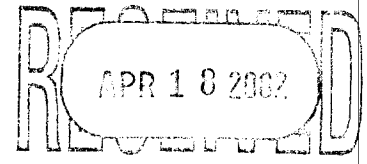
Darlene M. Hawley
SIGNATURE OF NOTARY PUBLIC

(SEAL)

MY COMMISSION EXPIRES June 3, 2002

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 10289.00

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ ~~10289.00~~ 0
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X Victoria G. Skap
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

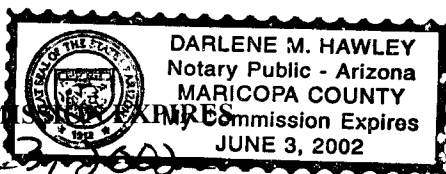
14th

DAY OF

(SEAL)

MY COMMISSION

June 3, 2002



NOTARY PUBLIC NAME

Darlene M. Hawley

COUNTY NAME

Maricopa

MONTH

April

2002

X Darlene M. Hawley
SIGNATURE OF NOTARY PUBLIC